

Completion of 90-Day Strategic Review (“Full Potential”) and Framework Agreement for 50:50 JV with Hongda at Wubin

Key Highlights:

- **90-day review of Wubin completed**, focused on establishing a strategic Energetics hub for the Western Australian market.
- **Non-binding Framework Agreement executed with Hongda Civil Blasting Group Co., Ltd** for a 50:50 Electronic Detonator Facility Joint Venture Company situated at Wubin.
- Joint Venture integrates **Hongda’s leading technology and manufacturing capability** with **Aquirian’s strategic Energetics hub** and growing market presence.
- **Aquirian retains 100% ownership** of the Wubin property.

Aquirian Limited (ASX: AQN) (“Aquirian” or “the Company”) is pleased to announce the completion of a 90-day strategic review (“Full Potential”) of the Wubin Energetics Precinct and signing of a non-binding framework agreement with **Hongda Civil Blasting Group Co. Ltd (“Hongda”) (“Framework Agreement”)** that marks a pivotal step in Aquirian’s Full Potential growth and earnings strategy.

The Full Potential strategy has been endorsed by the Aquirian Board and is now being actively executed. The outcomes focus on three key platforms, centred on Wubin manufacturing and storage to increase security of supply and drive market penetration:

- Construction of an **automated electronic detonator manufacturing facility** with capacity of up to 10 million units per annum in partnership with Hongda.
- Construction of **four 100 tonne storage magazines for boosters** (circa 1.5 million units total), creating a “virtual facility” with future manufacturing optionality.
- Entry into **Drillforce WA joint venture MOU** ([refer to AQN ASX announcement dated 20/10/2025](#)) to establish a fully integrated drill and blast company, leveraging Aquirian’s technology and Energetics offerings.

Managing Director – Greg Patching commented:

“We’re genuinely excited about the future of the Wubin facility and the execution of the Full Potential initiatives. Having a strategically located, hub for all our Energetics offerings will provide customers with an enhanced security of supply through local manufacture and storage, while enabling Aquirian to participate across the full value chain.

We are delighted to be partnering with Hongda, who bring exceptional technology, expertise, and scale to support our Energetics portfolio with a full range of electronic detonators for the market.

Through Full Potential we aim to build a secure, locally based supply chain for critical blasting inputs, supporting Western Australian industry and advancing our strategy.

The Drillforce WA Joint Venture with Topgroup creates an additional channel to market for our Western Energetics business to support our growing customer base."

Joint Venture Framework Agreement and Opportunity

The Framework Agreement outlines the intent of Aquirian and Hongda to form a 50:50 joint venture company. The proposed joint venture is to establish a state-of-the-art automated electronic detonator manufacturing facility, leveraging Hongda's expertise in innovation and manufacturing which enhances Aquirian's vertical integration strategy across the Energetics value chain.

The proposed facility is intended to have the capacity to produce up to 10 million electronic detonators per annum. Hongda is an industry leader with proven innovation, technology and established automated facilities operating within China. The proposed joint venture would strengthen Australia's domestic supply of critical blasting components and support the development of local manufacturing capability through the application of advanced technology and innovation.



Figure 1: Automated Production Line for Electronic Detonators

Subject to regulatory approvals and final binding agreements, the facility could be constructed and commissioned within **two years** of receiving regulatory and development approvals. A development approval for a detonator facility at Wubin was previously granted to the former owners but has since lapsed. Subject to regulatory approval, during the construction period, the proposed joint venture will have access to Hongda's range of electronic detonators for the market.

The Framework Agreement is non-binding and is subject to negotiation and execution of definitive agreements, regulatory approvals, and Foreign Investment Review Board ("FIRB") approval.

To support the proposed investment, into the joint venture with Hongda, Aquirian has received, on an indicative basis, the provision of secured debt finance from National Australia Bank, covering up to 80% (\$4 million) of Aquirian's capital construction and equipment contribution for the joint venture at current early stage costings. The debt finance is expected to be subject to conditions precedent prior to drawdown, including FIRB and regulatory approvals, and final detailed costings of the proposed facility.

Key strategic benefits for Aquirian

The Framework Agreement with Hongda aligns with Aquirian's Full Potential program, which is focused on unlocking value across the Company's Energetics operations. The booster storage facility will complement the detonator supply from Wubin, with storage expansion to be phased in line with customer demand and prudent capital management.

The initiative once implemented, will strengthen Aquirian's vertically integrated Energetics platform and positions the Company to deliver complete, secure, and efficient solutions for its customers.

About Hongda Civil Blasting Group Co., Ltd

Hongda Civil Blasting Group Co. Ltd is one of three core businesses owned by Guangdong Hongda Holding Group Company Limited. The Hongda group has been established for more than 35 years and has 8500+ employees.

The Hongda group is the #1 explosives company by market capitalisation and #2 civil explosive manufacturer in China. Hongda currently produces more than 55 million electronic detonators annually, manufactured through fully automated production facilities.

With operations spanning over 20 countries, this partnership marks Hongda's first manufacturing investment in Australia, supporting its global expansion and aligning with Aquirian's growth in Energetics and technology-led blasting solutions.

-ENDS-

This announcement has been approved for release by the Board of the Company.

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About Aquirian

Aquirian is a mining services company that delivers cutting-edge drill and blast solutions to clients worldwide. Our core operating units—Energetics, Technology, and People—are built on a foundation of strong, long-standing relationships within the mining services sector. We pride ourselves on offering innovative products and services that optimise blast hole outcomes, reduce costs, improve production efficiencies, and positively impact environmental performance.

Western Energetics, a wholly owned subsidiary of Aquirian, operates a strategically located facility offering exceptional storage, logistics, and energetic solutions, ensuring that we remain at the forefront of supporting mining operations in WA.